

But Whose Ethics? Reading Your Ethical Roadmap

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Can you define your ethics? No, not the dictionary definition of the word,¹ but the term as it applies to you.

At first glance, the task seems simple enough. You might define your ethics based upon your childhood upbringing and experiences, religious beliefs, political direction or as an alternative to what others (think Enron and Worldcom) are doing. Granted, these are all valuable reference points, but they are not one's ethical roadmap.

So what are your ethics?

Most of us would accept that lying, cheating and stealing are examples of unethical conduct. (Feel free to insert your favorite lawyer/accountant/contractor joke here.) It might be because these acts, under defined circumstances, constitute illegal conduct. Many of them are also, under most traditional value systems, immoral (whatever that means, and it means different things to different people.) It doesn't take a great leap of logic to get from unethical to illegal. But there's a whole lot of grey between ethical and unethical and it is within this chasm that most mere mortals falter.

Our organization has a 10-point Code of Professional Ethics for guidance of the Construction Manager. In summary, the code "obligates" the Construction Manager to serve with integrity, honesty, competence and trust. The Code goes on to "prohibit" the CM from engaging in activities which create conflicts of interest and "requires" the Construction Manager to engage only in fair competition and receive fair compensation for services rendered.

The American Institute of Constructors similarly has a 7-point Code of Ethics which also "prohibits" its members from engaging in deceptive practices, impugning the reputation of competitors, not disclosing confidential information and, like CMAA, requiring its members to comport with the standards of current professional practice. The Project Management Institute too has a comprehensive code of ethics.

Of course, violating these "ethics" won't generally get you sent to jail if you engage in the prohibited activities. You may, though, find yourself shunned from your chosen profession by your peers. (I won't even try to summarize the various ethical guidelines published by the different agencies of the U.S. Government, the breach of which may get you a stay at the grey-bar hotel.)

Why is it, one should ask, that these points need even be "codified"? Is it because these voluntary-membership organizations feel the need to "state the obvious" or, and this is more likely, that reasonable people might differ over just what constitutes a "deceptive" practice or how far one can go before receiving

¹ Here, I'll save you the trouble of looking it up at www.m-w.com:

1 *plural but singular or plural in construction*: the discipline dealing with what is good and bad and with moral duty and obligation

2 a : a set of moral principles or values **b** : a theory or system of moral values <the present-day materialistic *ethic*> **c** *plural but singular or plural in construction* : the principles of conduct governing an individual or a group <professional *ethics*> **d** : a guiding philosophy. Rather, how is it that you define the ethics by which you live and work?

an “un-fair” level of compensation or crossing the line between critical differentiation and “blasting” the competition?

And if so, just where is the magical line between fair and unfair competition and the like? Is it, for example, ethical to bid below cost in order to gain market share? Would your answer be the same if the effect of such “predatory pricing” was to drive your competitor(s) out of business? And would your answer differ yet if such action were illegal but you stood “no chance” of being caught?

In today’s business climate, ethical “abuse” is frequently defined in the context of Enron’s excesses and the subterfuge practiced by Wall Street in the breach of the so-called “Chinese Wall” between analysts and investment bankers. When discussed in association with the likes of Tyco International and Martha Stewart’s own problems, the definition appears to be easily described in one word: greed. And greed has been around forever.

Many of us grew up hearing about the “work ethic” of one group or another, frequently in the context that the “strong work ethic” equated with physical labor. Few on Wall Street break a sweat earning their multi-million dollar salaries. And, for the most part, we envy their success. Not universally, I’ll grant you, but we generally accept their good fortune as a product of “the American way”. Similarly, we fail to pity those caught with their hand in the cookie jar and express outrage when one is sentenced to a “country club” penal facility. (*But honey, we just can’t live on \$5 million a year! Yeah, right.*)

For the most part, situations such as these are summarily described as unethical conduct, and for good reason: other, and innocent, people were adversely and unfairly (and what does that mean?) affected, the law was broken and, not surprisingly, the media had a field day with the various events and personalities involved. Enough said about the high-profile, easily cataloged events. Yet, for the vast majority of folks in the business world, and especially in that very small part known as construction management, neither the events nor the players are media magnets.

This “ethical management” of its members is one of the major points which differentiates a profession from a trade or “mere” occupation: professions govern their members by the adaption of an ethical standard which prospective members “voluntarily” agree to follow as a condition of membership in the profession. (Query: Can something which is in essence forced upon one as a condition of membership truly be a voluntary “acceptance”?) The bigger question, though, may be this: If one truly aspires to become a professional, should he or she object to voluntarily adapting and accepting the profession’s code of ethics? And, once accepted by the individual, why would that person breach the code?

(One aside: while corporations have seemingly all adapted a code of ethics, the reality is that only individuals can follow or ignore the “rules”. A corporation, after all, is just a piece of paper coupled with a state of mind. If you don’t believe this, try to visualize General Electric imprisoned or Enron in the exercise yard at Sing Sing.)

Back to the main thread. People breach or ignore their respective code of ethics for a very base reason: greed. “Cooking the books” has always been about greed, generally for personal gain. Manipulating the stock of a corporation almost always leads back to one or more individuals who stood to gain personally from the activity.

Many will remember the old joke that you know it’s going to be a bad day when Mike Wallace and a camera crew are in the waiting room. That doesn’t mean, though, that anything that warrants the media’s attention is unethical or a bad thing. What it does boil down to is whether you want to (or have to) defend your position in the press. For example, people lease cars and equipment all the time, so why should it be so controversial when the Air Force wants to lease some new tankers to replace its 40-year old fleet? Just

because tax money is involved may not be a completely sufficient reason.

Closer to home, have you ever downloaded a copyrighted image from the Web? A piece of music? Extracted language from a web-based publication without giving attribution to the author? Used unlicensed software? Taken paper or pens home for your kids to use?

If (okay, when) you did this, did you feel your integrity compromised? Did your reputation remain intact? Or didn't you brag about your incursion into the world of grey...? (Feel free to insert your second favorite lawyer/accountant/contractor joke here, or use this one:

A client, owing his lawyer \$50.00 for advice, mistakenly gives the lawyer two fifties rather than one bill. The lawyer's ethical dilemma:

Does he tell his partner?

What this boils down to is simple to state: virtually everyone has "their price" at which point he or she will cross their own ethical boundary. In a perfect world this wouldn't be an issue; after all, there would be nothing to tempt one to cross that line.

But we don't live in a perfect world and few of us have the will power to resist any and all temptation. Most of us do have the will to resist most temptation and do "what is right". Again, defining "what is right" is somewhat of a personal decision, yet one that the vast majority of folks would agree upon in most instances.

So do we pity those who cannot resist? No, of course not, though it is not unusual for us to sometimes think that "yeah, I'd go to jail for \$10,000,000" or the like. Truth be told, though, the vast majority, given the opportunity, would not trade freedom or reputation for one, five or even ten million dollars. (Here's where the "right price" starts creeping into the discussion.

And only you can decide on what "price" you'll trade your ethics (or reputation or integrity, or all of the above) for gain.

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(In case you're wondering, I never intended to define ethics for you in this paper. It is my intent that this piece gives you pause to think about your own situation and how you approach your business goals.)